



North Carolina Department of Health and Human Services

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L. Allen Dobson, Jr. MD, Assistant Secretary for
Health Policy and Medical Assistance

October 20, 2006

MEMORANDUM

TO: Legislative Oversight Committee
Local CFAC Chairs
NC Council of Community Programs
County Managers
State Facility Directors
LME Board Chairs
Advocacy Organizations
MH/DD/SAS Professional and Stakeholder Organizations
Commission for MH/DD/SAS
State CFAC
NC Assoc. of County Commissioners
County Board Chairs
LME Directors
DHHS Division Directors
Provider Organizations

FROM: L. Allen Dobson, Jr., M.D. *LAD mb*
Mike Moseley *mm/w*

SUBJECT: Transportation Costs-Update #16

Attached please find a copy of a DMA Administrative Letter which clarifies payment and arrangement of transportation for specific CAP-MR/DD and mental health enhanced benefit services. The attached letter is being shared with the county departments of social services and the mental health providers simultaneously to clarify that transportation for the specific codes listed in the DMA Administrative Letter No. 15-06 must be arranged and paid for by the providers. County departments of social services cannot claim federal financial participation for providing transportation for these services and therefore cannot provide transportation at the counties' expense.

When the new rates for enhanced mental health services were established, the Department cost-modeled some rates, utilized data from other states, and utilized information from the consulting firms who assisted in the development of the new services (such as the Technical Assistance Collaborative). The Department agreed that we would revisit these rates once the provider community had experience in providing the services and had accumulated at least six months of actual data on cost and service provision. While we know that there was some cost included in the rates for transportation, we also recognize that it may no longer be sufficient given the recent rise in gasoline prices.

We plan to revisit this rate structure sometime after January 2007 when we have more data available from providers on the actual cost in providing these services. As part of that process, we will be paying special attention to the transportation costs included in the rates. We appreciate your patience and cooperation as we work through these issues.

If you have any questions concerning these matters, please email contactdmh@ncmail.net.

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|-----|--------------------------------------|----------------------|------------------|
| cc: | Secretary Carmen Hooker Odom | William Lawrence, MD | Sharnese Ransome |
| | Allyn Guffey | Tara Larson | Kaye Holder |
| | Dan Stewart | Carol Robertson | Wayne Williams |
| | DMH/DD/SAS Executive Leadership Team | Angela Floyd | |

DMA ADMINISTRATIVE LETTER NO: 15-06, MEDICAID TRANSPORTATION

DATE: October 20, 2006

SUBJECT: Medicaid Transportation

DISTRIBUTION: County Directors of Social Services
Medicaid Staff

I. BACKGROUND

The Community Alternatives Program for Persons with Mental Retardation/ Developmental Disabilities (CAP-MR/DD) is a home and community waiver program that provides community services to individuals who qualify for care in an intermediate care facility for the mentally retarded (ICF-MR). The Division of Mental Health, Developmental Disabilities and Substance Abuse Services manages the daily operation of the program under an agreement with DMA. The program is available statewide through local area mental health, developmental disabilities and substance abuse programs.

Mental Health/Substance Abuse (MH/SA) services once provided by area mental health programs are now provided by community-based Medicaid providers. MH/SA Enhanced Benefits are Medicaid covered services implemented under Mental Health Reform.

Recently, it came to our attention that certain CAP-MR/DD and MH/SA Enhanced Benefits services include transportation in the Medicaid reimbursement rate.

II. MEDICAID CHANGES

- A. The CAP-MR/DD Waiver includes Medicaid covered services which have transportation included in the rate that Medicaid reimburses the Medicaid provider. The medical provider is responsible for arranging and providing transportation to and from the recipient's residence for individuals receiving these services.

The following Medicaid covered services with the corresponding codes have transportation included in the Medicaid provider's fee:

| | |
|-----------------------------------|---------|
| Day Supports – Individual | T2021 |
| Day Supports – Group | T2021HQ |
| Supported Employment – Individual | H2025 |
| Supported Employment – Group | H2025HQ |

1. Day Supports provide assistance with acquisition, retention, or improvement in self-help, socialization and adaptive skills, which take place in a non-residential setting, separate from the home or facility in which the individual resides.

Supported Employment services are conducted in a variety of settings, particularly work sites in which persons without disabilities are employed. Supported employment includes activities needed to sustain paid work by individuals receiving waiver services, including supervision and training.

2. The county departments of social services are not responsible for arranging or providing transportation to individuals receiving Supported Employment and Day Supports services. Do not claim Federal and State Medicaid transportation reimbursement for these services. Refer Medicaid recipients for assistance with transportation to the Medicaid provider.

- B. Mental Health/Substance Abuse (MH/SA) Enhanced Benefits are Medicaid covered services that transportation is included in the rate that Medicaid reimburses the Medicaid provider. The medical provider is responsible for arranging and providing transportation to and from the recipient's residence for individuals receiving these services.

The following Medicaid covered services with the corresponding codes have transportation included in the Medicaid provider's fee:

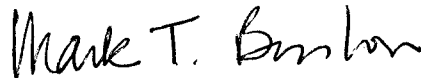
| SERVICE | CODE |
|--|-------------|
| Community Supports Service – Adult | H0036HB |
| Community Supports Services – Child | H0036HA |
| Community Supports Services – Group – Adult or Child | H0036HQ |
| Community Support Treatment Team (CST) | H2015HT |
| Assertive Community Treatment Team (ACTT) | H0040 |
| Child and Adolescent Day Treatment | H2012HA |
| Diagnostic Assessment | T1023 |
| Intensive In-Home Services | H2022 |
| Mobile Crisis | H2011 |
| Multi-systemic Therapy (MST) | H2033 |
| Partial Hospital | H0035 |
| Professional Treatment Services in Facility-Based Crisis Program | S9484 |
| Psychosocial Rehabilitation | H2017 |
| Substance Abuse Comprehensive Outpatient Treatment | H2035 |
| Substance Abuse Intensive Outpatient Program | H0015 |
| Substance Abuse Medically Monitored Residential Treatment | H0013 |
| Substance Abuse Non-Medical Community Residential Treatment | H0012HB |
| Ambulatory Detoxification | H0014 |
| Medically Supervised Detoxification/Crisis Stabilization | H2036 |
| Non-Hospital Medical Detoxification | H0010 |
| Outpatient Opioid Treatment | H0020 |

1. Clinical Policy's service definitions for each service can be viewed on the DMA website at: <http://www.dhhs.state.nc.us/dma/bh/8A.pdf>.
2. The county departments of social services are not responsible for arranging or providing transportation to individuals receiving MH/SA Enhanced Benefits services. Do not claim Federal and State Medicaid transportation reimbursement for these services. Refer Medicaid recipients for assistance with transportation to the Medicaid provider.

III. EFFECTIVE DATE AND IMPLEMENTATION

This policy is effective upon receipt.

If you have any questions regarding this policy change please contact your Medicaid Program Representative.



for L. Allen Dobson, Jr., M.D., Assistant Secretary
for Health Policy and Medical Assistance

(This material was researched and written by Charlotte Gibbons, Policy Consultant, Medicaid Eligibility Unit.)